

ORIGINAL

Decision No. 74465

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
California Sightseeing Tours, Inc.,)
for Authority to Operate Round-Trip)
Passenger Stage Operation Between)
the Los Angeles Harbor Docks and)
Los Angeles International Airport.)

Application No. 50132

(Filed April 1, 1968)

O P I N I O N

By this application California Sightseeing Tours, Inc., seeks to establish a common carrier passenger stage service between the Los Angeles International Airport and vessels docked at the Los Angeles Harbor. Said service would be restricted to the transportation of persons who have arrived at the harbor area by vessel or who are destined to depart therefrom by vessel.

The proposed service is in addition to a sightseeing service which applicant is operating between Los Angeles Harbor and various points of interest in and about the City of Los Angeles. Said sightseeing service is provided for persons who arrive at the harbor by vessel, and who wish to visit points of interest in the Los Angeles area while the vessel is in port.

Applicant states that it is now performing a passenger transportation service by motorbus between Los Angeles International Airport and various docks in Los Angeles Harbor pursuant to charter arrangements with certain steamship companies. It alleges that its experience in performing this service indicates

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that there is a need for the service by the public generally. The proposed service is intended to meet this need.

In the operation of the service applicant proposes to use deluxe parlor type buses equipped with air conditioning and adequate luggage space. The movement of the buses would be coordinated with steamship arrivals and departures. It is anticipated that at the outset one or two trips a week would be required to meet the demand. The proposed one-way fare is \$2.50 per passenger and not more than three bags. For more than three bags an additional charge of 25 cents per bag would apply.

Assertedly, the establishment of the proposed service would not affect the services of any other carriers. Applicant states that no other passenger stage corporations operate between the Los Angeles International Airport and Los Angeles Harbor docks. Insofar as its own operations are concerned, applicant states that the establishment of the proposed service will not impair its ability to perform its sightseeing services but, instead, will tend to enhance its operations generally through better usage of manpower and equipment.

Applicant maintains a fleet of 35 buses from which equipment for the services involved herein would be drawn as needed. Financial data included in the application list applicant's assets as amounting to \$368,291, liabilities as amounting to \$308,361, and a net worth of \$59,930. About \$117,000 of the liabilities are owed to M & M Charter Lines, Inc., an affiliate of applicant, and about \$150,000 are owed on equipment purchase contracts. The data also show revenues of \$261,873, expenses

of \$242,399, and a profit (after provision for income taxes) of \$19,474 for the six months from August 1, 1967, through January 31, 1968.

Upon consideration of applicant's showing in this matter, the Commission finds that:

1. Passenger stage service for the transportation of the public between the Los Angeles International Airport and docks and wharves in the Los Angeles Harbor Area is not available at the present time.

2. Such service is needed by members of the public who arrive at Los Angeles Harbor by vessel, intending to depart from Los Angeles International Airport by airplane, or vice versa.

3. The proposed service would meet the public need for transportation between the Los Angeles International Airport and docks and wharves in the Los Angeles Harbor.

4. Applicant possesses the ability, experience, equipment and financial resources needed to perform the aforesaid service.

5. Public convenience and necessity require that the service proposed by applicant be established.

The Commission concludes that the proposed service should be authorized. Public hearing on this application appears to be unnecessary.

California Sightseeing Tours, Inc., is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant

of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to California Sightseeing Tours, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes particularly set forth in Section 1, paragraph (2) and in Section 3 of Appendix A attached hereto and made a part hereof by this reference.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-B.

- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.
- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 30th day of JULY, 1968.

William J. ...
President
William ...

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.

Fred P. ...
Commissioners

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS

California Sightseeing Tours, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to:

- (1) Transport passengers for sightseeing purposes, commencing at the Los Angeles Harbor (San Pedro and Wilmington) to points of interest in Los Angeles and Orange Counties, and returning to the point of beginning in the Los Angeles Harbor, over and along the routes hereinafter described in Section 2, subject to the following conditions and restrictions:
 - (a) Service shall be limited to the transportation of round-trip passengers, originating in the Los Angeles Harbor, San Pedro and Wilmington.
 - (b) Service shall be operated in conjunction with tour steamship arrivals and subject to a minimum of ten adult passengers.
- * (2) Transport passengers and their baggage in service other than sightseeing, between Los Angeles International Airport, on the one hand, and Los Angeles Harbor (San Pedro and Wilmington), on the other hand, over and along the route described in Section 3, subject to the following conditions and restrictions:
 - (a) Service shall be limited to transportation of persons with prior or subsequent passage on steamships docking at Los Angeles Harbor.
 - (b) Service shall be operated only in conjunction with steamship arrivals at or departures from docks in Los Angeles Harbor area bounded by Anaheim Street on the north, Harbor Freeway-Pacific Avenue on the west, Pacific Ocean on the south and Los Angeles-Long Beach city boundary to its intersection with Henry Ford Avenue immediately north of Cerritos Channel, thence Henry Ford Avenue to Anaheim Street, on the east.
 - (c) Passengers shall be transported only between Los Angeles International Airport on the one hand, and Los Angeles Harbor steamship docks on the other hand. No passenger shall be transported whose origin or destination is at any intermediate point between such airport and steamship docks.

Issued by California Public Utilities Commission.

*Changed by Decision No. 74465, Application No. 50132.

SECTION 3. ROUTE DESCRIPTION

Subject to the authority of this Commission to change or modify such at any time, California Sightseeing Tours, Inc., shall conduct its passenger stage operations (other than sightseeing) over and along the following route:

Los Angeles International Airport-Los Angeles Harbor

Commencing at Los Angeles International Airport, circling all of the airline satellites, thence along Century Boulevard, San Diego Freeway, and Harbor Freeway to Los Angeles Harbor area as defined in Section 1 hereof, thence city streets to steamship docks within such area.

Return by reverse of the going route.

Issued by California Public Utilities Commission.

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